#### JONES DAY

51 LOUISIANA AVENUE, N.W. • WASHINGTON, D.C. 20001.2113 TELEPHONE; +1.202.879.3939 • FACSIMILE; +1.202.626.1700

> DIRECT NUMBER: (202) 879-5439 MHAZZARD@JONESDAY.COM

November 6, 2018

#### **BY ECFS**

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

Re: Notice of Ex Parte Presentation, CG Docket Nos. 18-152 and 02-278

Dear Ms. Dortch:

On November 5, 2018, T.J. Thinakaran, Chief Operating Office of CallFire, Inc. ("CallFire") met with representatives of the Federal Communications Commission's Office of General Counsel ("OGC"). Kaytlin L. Roholt and I represented CallFire at the meeting. Members of OGC attending the meeting included Thomas M. Johnson, Jr., William R. Layton, Scott Noveck, and William Richardson. During the meeting, CallFire discussed its comments filed in the above-referenced proceedings, and the attached presentation served as the basis of discussion. If you have any questions or need additional information, please contact me.

Respectfully submitted,

Michael B. Hazzard

Counsel to CallFire, Inc.

Attachment

### The TCPA and Marks v. Crunch

CG Docket Nos. 18-152 and 02-278



# Agenda



- Overview of CallFire
- The Ninth Circuit's Marks v. Crunch decision wrongly rewrites Congress' definition of ATDS
- The Commission should implement the TCPA's ATDS definition as written by Congress
- Plaintiff's lawyers are abusing existing uncertainty in the law by filing frivolous TCPA lawsuits



# The CallFire Story Then & Now...



#### **FOUNDED**

2006 by five University of California graduates

#### **EMPLOYEES**

Over 155 employees with major offices in Santa Monica, CA and Austin, TX

#### **BEST WORKPLACE**

L.A. Business Journal best place to work 5 years in a row

#### STRONG COMPLIANCE

Business based on complying with all laws and regulations



# Strong History of Groundbreaking Innovative Partnerships



Licensed Common Carrier



Member, GSMA



RespOrg, SMS|800



Member, CTIA



Member, CWTA



Member, M<sup>3</sup>AAWG



### **Key Products**



### **Text Messaging**

CallFire Text Messaging provides the most powerful and versatile SMS text messaging platform on the market. Whether you want to send out promotions, discounts, updates or notifications - text marketing lets you reach thousands instantly.



### Voice Messaging

CallFire Voice Messaging enables subscribers to send important alerts, promotions, updates, and notifications to customers, employees, voters, and more.



CallFire IVR (Interactive Voice Response) system, let's subscribers set up surveys, polls, appointment reminders, payments, and more for inbound or outbound uses.



### Typical Use Cases

#### JUST A FEW OF THE WAYS CUSTOMERS USE US...



**Appointment Reminders** 



**Shipping Updates** 



Security Authentication



**Paying Bills** 



Coupons



**Product Updates** 



**Schedule Coordination** 



**Product Recalls** 



**Volunteer Canvasing** 



**Loyalty Programs** 



**Emergency Broadcast Message** 



**Warranty Services** 



Collections



Reorder Updates



### Marks v. Crunch Ignores the Text of the Law

- The Ninth Circuit's ATDS definition fails to give effect to key statutory terms and cuts against applicable principles of statutory interpretation
- The statute explicitly uses the phrase "using a random or sequential number generator"; it does not use other phrases, like "using a list of numbers" or "using a database of numbers"
- If Congress wanted to target technology that could call from lists of numbers, it could have included those phrases, but it did not



# Marks v. Crunch Ignores the Statutory Intent

- Congress enacted the TCPA to address very specific problems that were caused by the influx of random and sequential numbering technology in the 1990's
- For example, ATDS callers were indiscriminately tying up emergency lines and calling hospital rooms
- Those concerns are not present with technology that can merely call from stored lists of numbers



### The Statute Is The Statute

- The Commission should implement the TCPA's ATDS definition as written by Congress
- Congress intentionally enacted a technology-specific ATDS definition; technology has moved on
- Congress, not the FCC, is responsible for rewriting statutes
- Marks v. Crunch redlined the statute to cover technology that calls from stored lists of numbers, but in doing so, it swept in millions of smartphones that have this capacity



### TCPA Litigation Is Out Of Control

- Multiple courts have found that CallFire's software DOES NOT meet the FCC's 2015 ATDS definition (which the D.C. Circuit held to be overbroad)
- But because of uncertainty in the law, CallFire is still embroiled in wasteful litigation
  - Subpoenaed for a deposition this week by the same lawyer, in the same district where CallFire has already been found not to be an ATDS
  - At least 5 additional third-party subpoenas pending; past individual subpoenas have taken over 100 hours of work



### Clear FCC Action Needed

- The FCC should implement that statute as written by Congress
- FCC action should be clear—companies should be able to KNOW whether they are using an autodialer
- Enforcement should target bad actors; not good companies focused on complying with the law
- CallFire is committed to working with the Commission to be part of the solution

